

# The Facts About Student Loan Repayment

Brought to you by the Financial Aid Office  
at Somerset Community College

Questions? E-mail us at: [somerset-financialaid@kctcs.edu](mailto:somerset-financialaid@kctcs.edu)  
or Call (855) 66GO-SCC or (855) 664-6722

**Repayment:  
What to Expect**

Are you unsure about the loan repayment process or wondering when you need to begin making loan payments? Check out this video to learn about what to expect ...

Click Anywhere In This Box To View Video!



Click to link to this page



## Repayment Plans

Information on how to choose a plan that's right for you and the amount of time it will take to repay.



Click to link to this page

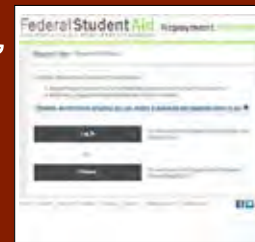


## Trouble Making Payments?

Examining why you may be in trouble and steps to take to resolve the situation.



Click to link to this page



## Repayment Estimator

Beginning repayment or exploring repayment options based on your income.



Click to link to this page



## Guide to Repayment

Find the right repayment plan for you or learn where to get help if you can't afford your payments.



HIGHER EDUCATION BEGINS HERE

KENTUCKY COMMUNITY & TECHNICAL COLLEGE SYSTEM

[Return to Main Page](#)

# WHEN IT'S TIME TO REPAY

**RULE OF THUMB**  
YOUR PAYMENTS  
SHOULD NOT EXCEED

**8%**  
OF YOUR TOTAL INCOME

ESTIMATE YOUR PAYMENTS USING  
THE REPAYMENT ESTIMATOR AT  
[STUDENTAID.GOV/REPAYMENT-ESTIMATOR](http://STUDENTAID.GOV/REPAYMENT-ESTIMATOR)

**EXPLORE  
YOUR  
FEDERAL STUDENT  
LOAN REPAYMENT  
OPTIONS**

**WHAT TO WEIGH**  
WHEN SELECTING  
A REPAYMENT PLAN



SMALLER MONTHLY PAYMENTS  
RESULT IN PAYING  
MORE INTEREST OVER TIME

## GRADUATED

GRADUAL INCREASES  
IN LOAN PAYMENT

PAYMENT AMOUNT



## FIXED

SAME PAYMENT FOR  
LIFE OF LOAN

PAYMENT AMOUNT



## INCOME-DRIVEN

PAYMENTS BASED ON INCOME  
NOT JUST LOAN DEBT

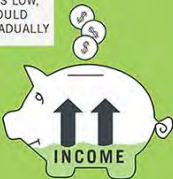
PAYMENT AMOUNT



## HOW TO CHOOSE A PLAN

### GRADUATED OR EXTENDED-GRADUATED PLANS

MY INCOME IS LOW,  
BUT IT SHOULD  
INCREASE GRADUALLY



### STANDARD OR EXTENDED PLANS

I PREFER  
A FIXED PAYMENT



### INCOME-DRIVEN PLANS

MY INCOME IS LOW  
RELATIVE TO MY DEBT  
OR I'M NOT SURE WHAT  
MY INCOME WILL BE



## AMOUNT OF TIME TO REPAY



### 10-YEAR REPAYMENT PERIOD:

- AVAILABLE FOR ANY LOAN
- DECREASES TOTAL INTEREST PAID BUT INCREASES MONTHLY PAYMENT COMPARED TO 25-YEAR REPAYMENT PERIOD



### 25-YEAR REPAYMENT PERIOD:

- MAY BE AVAILABLE IF YOUR LOAN BALANCE EXCEEDS \$30,000
- DECREASES MONTHLY PAYMENT BUT INCREASES THE TOTAL INTEREST PAID COMPARED TO 10-YEAR REPAYMENT PERIOD

LONGER REPAYMENT PERIODS ARE AVAILABLE FOR CONSOLIDATION LOANS

### PAY AS YOU EARN



ANY REMAINING BALANCE IS  
FORGIVEN AFTER 20 YEARS

### INCOME-BASED REPAYMENT



ANY REMAINING BALANCE IS  
FORGIVEN AFTER 25 YEARS

### INCOME-CONTINGENT REPAYMENT



ANY REMAINING BALANCE IS  
FORGIVEN AFTER 25 YEARS

YOU CAN CHANGE YOUR REPAYMENT PLAN AT **ANY TIME** BY CONTACTING YOUR FEDERAL STUDENT LOAN SERVICER  
NOT ALL LOANS ARE ELIGIBLE FOR ALL REPAYMENT PLANS. TO LEARN MORE, GO TO [STUDENTAID.GOV/REPAY](http://STUDENTAID.GOV/REPAY)

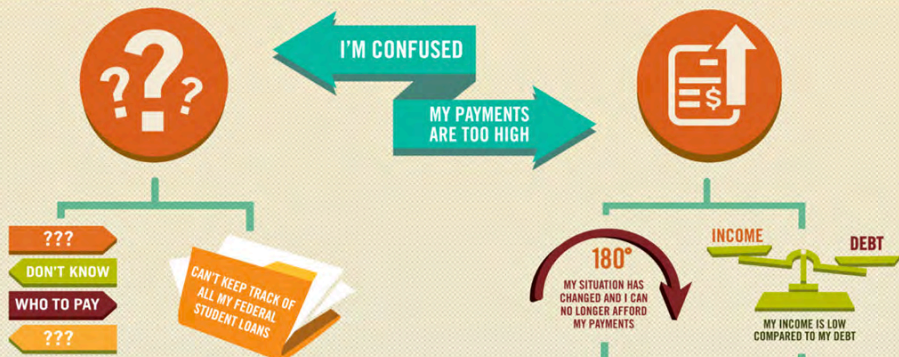


**Return to Main Page**

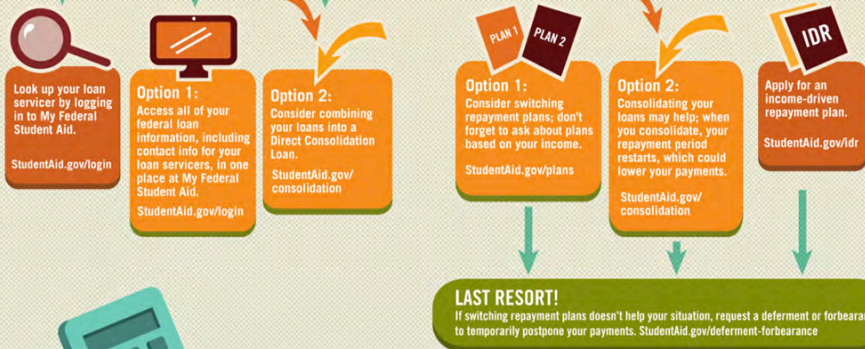
# TROUBLE MAKING YOUR FEDERAL STUDENT LOAN PAYMENTS?

*We can help you get back on track.*

**WHY ARE YOU HAVING TROUBLE?**



**HERE'S WHAT YOU CAN DO**



Use the Repayment Estimator to find out if you might qualify for a repayment plan with a lower monthly payment. [StudentAid.gov/repayment-estimator](http://StudentAid.gov/repayment-estimator)

**NEED HELP FIGURING IT ALL OUT? NO PROBLEM. YOUR LOAN SERVICER CAN HELP YOU MAKE A DECISION THAT BEST FITS YOUR FINANCIAL SITUATION.**

For information on loan servicers, including their contact information, visit [StudentAid.gov/servicer](http://StudentAid.gov/servicer).  
For information on loan repayment, visit [StudentAid.gov/repay](http://StudentAid.gov/repay).